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ABSTRACT

The existing housing crisis for Philadelphia's low income families has been exacerbated by a decrease in the real income of these families over the past 10 years, a shortage of affordable housing during the same period, and the deterioration of much of the existing housing stock. "Watching Out for Children in Changing Times," a joint effort between the United Way of Southeastern Pennsylvania and Philadelphia Citizens for Children and Youth, tracks how recently changing public policies are affecting children, families, and the agencies that serve them. This report examines the impact of the related housing factors on low income families through the stories of "Watching Out" families. Participating in interviews were 40 families who had received Temporary Assistance for Needy Families at some point in the preceding 4 years. Findings indicated that the majority of Watching Out families were spending more than 30 percent of their income on housing. Much of the available, affordable housing was inadequate and dangerous, with Section 8 and public housing the only options for many families. Securing permanent subsidized housing was often delayed for months or years due to long waiting lists. The report includes recommendations for city, state, and federal governments; for local housing policymakers; for city and local housing agencies; and for the Department of Human Services and the Philadelphia Housing Authority. A description of housing assistance programs, a list of local and national resource organizations, and a glossary of housing terms completes the report. (Contains 49 endnotes.) (KB)

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Waiting In Line: Low Income Families and the Search for Housing

PS 030359

Philadelphia Citizens for Children and Youth

United Way of Southeastern Pennsylvania

PCCY
Philadelphia Citizens for Children and Youth

2001

United Way of Southeastern Pennsylvania

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PCCY
Philadelphia Citizens
for Children and Youth

About Philadelphia Citizens for Children and Youth:
Founded in 1980, PCCY serves as the region's leading child advocacy organization and works to improve the lives and life chances of the region's children. Through thoughtful and informed advocacy, community education, targeted service projects and budget and policy analysis, PCCY seeks to watch out and speak out for the children in our region. PCCY undertakes specific and focused projects in several areas affecting the healthy growth and development of children, including after-school, child care, public education, child health and child welfare. PCCY's ongoing presence as a watchdog and advocate for the region's children informs all of its efforts.

United Way
of Southeastern
Pennsylvania

About United Way of Southeastern Pennsylvania:
United Way of Southeastern Pennsylvania leads, inspires and mobilizes donors and volunteers to improve the quality of people's lives in our community by building collaborative strategies to identify and address our most essential human service issues, sustaining a high quality, efficient network of human service agencies and delivering efficient, effective, rewarding ways to give time, talent and money.

To better serve our community we have shifted our focus from being primarily a fundraising organization to an issue and results-oriented organization. We raise and allocate funds to agencies that provide essential human services and strive to advance human service issues in our community. Measuring our success in terms of community impact rather than solely on dollars raised is bringing a new sense of urgency to our work, and creating stronger partnerships with donors and funded agencies.

About Watching Out for Children in Changing Times:
Watching Out for Children in Changing Times is a joint effort between United Way of Southeastern Pennsylvania and Philadelphia Citizens for Children and Youth to track how recently changing public policies are affecting children, families and the agencies that serve them, and to reach out to, inform and engage various sectors of the public on behalf of children and families. Initiated in 1996, Watching Out surveys 75 human service agencies on a regular basis, and has conducted focus groups and interviews with over 200 youth and their families on a range of issues that affect low income children and families, including child care, food assistance, health care, cash assistance and youth development. Information from these surveys and interviews may be found in the series of reports published by *Watching Out for Children in Changing Times.*

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About This Report

Several hundred thousand low income[1] families live in Philadelphia. Between 70 and 75 percent of these families face housing costs in excess of 30 percent of their income, housing that is deteriorated, or both.[2] Philadelphia's housing problem is characterized by housing deterioration (both vacant and occupied) and a mismatch between the availability and affordability of housing for low income families. Many low income families pay more than half of their income on housing alone. Families who pay less often live in substandard housing that requires costly, out of reach repairs.

Three related conditions have exacerbated the housing crisis for Philadelphia's low income families. There has been:

- A decrease in the real income of Philadelphia's lowest income families during the past ten years;
- An increase in housing costs during the same period, resulting in a shortage of housing affordable to low income families; and
- The deterioration of much of the existing housing stock and the need for emergency repair and rehabilitation of these properties.[3]

The impact of these related factors upon low income families is examined through the stories of the Watching Out families.

Introduction

In Philadelphia, the waiting lists for public housing or housing assistance are closed for years on end. Thousands of families who want and need housing are deferred. What happens when the dream of having a safe, stable home continually eludes these families?

Since 1997, Watching Out for Children in Changing Times has been following Philadelphia-area families who are working to meet the mandates of the new welfare laws. These families, all of whom have received Temporary Assistance for Needy Families (TANF) at some point in the past four years, are striving to achieve self-sufficiency. Among the obstacles these families face before their five year lifetime limit of TANF cash assistance runs out is finding and maintaining quality, affordable housing.

In our interviews with over 40 Watching Out families, we found that securing and maintaining adequate housing is a stressful struggle impacting family life, health, school performance, and the ability to remain employed and become self-sufficient. For the lowest income Philadelphia families, including the Watching Out families, the amount of available, affordable housing is inadequate.

Sarah and Amy's Stories

Sarah *and her two sons, ages 21 and 6, live in a small two bedroom home in Norristown. Her older son has a developmental disability that keeps him from being able to work or live on his own. As a result of his condition, he receives Social Security Disability payments (SSI). Sarah works for the local government cleaning office buildings. With the earnings from her job plus her son's SSI, her income is about $1,150 per month.*[4] *She receives no cash assistance or food stamps. Due to her earnings, her Section 8 rent subsidy was reduced to $25, leaving her to pay the remaining $500 of the monthly rent. This is almost half of her monthly income. She is constantly juggling bills and faces the threat of shut-offs of her gas and electric services. She worries about her ability to feed her sons. She goes to two separate food cupboards, but regularly faces an almost empty refrigerator.*

Amy *is currently in a six-month training program designed to help her move from welfare to work. Through this program, she works 20 hours per week at a minimum wage training position. Combining her earnings with cash assistance, which has been reduced to reflect her earnings, she brings home approximately $900 per month. She also receives $390 in food stamps. She and her five children, ages 12, 11, 9, 8, and 6, have been living in a house in North Philadelphia owned by her ex-husband's father for the past five years. She pays $250 per month in rent plus almost $400 during winter months for utilities. She would like to move out of this house, located in an area in which she fears for her safety and the safety of her children.*

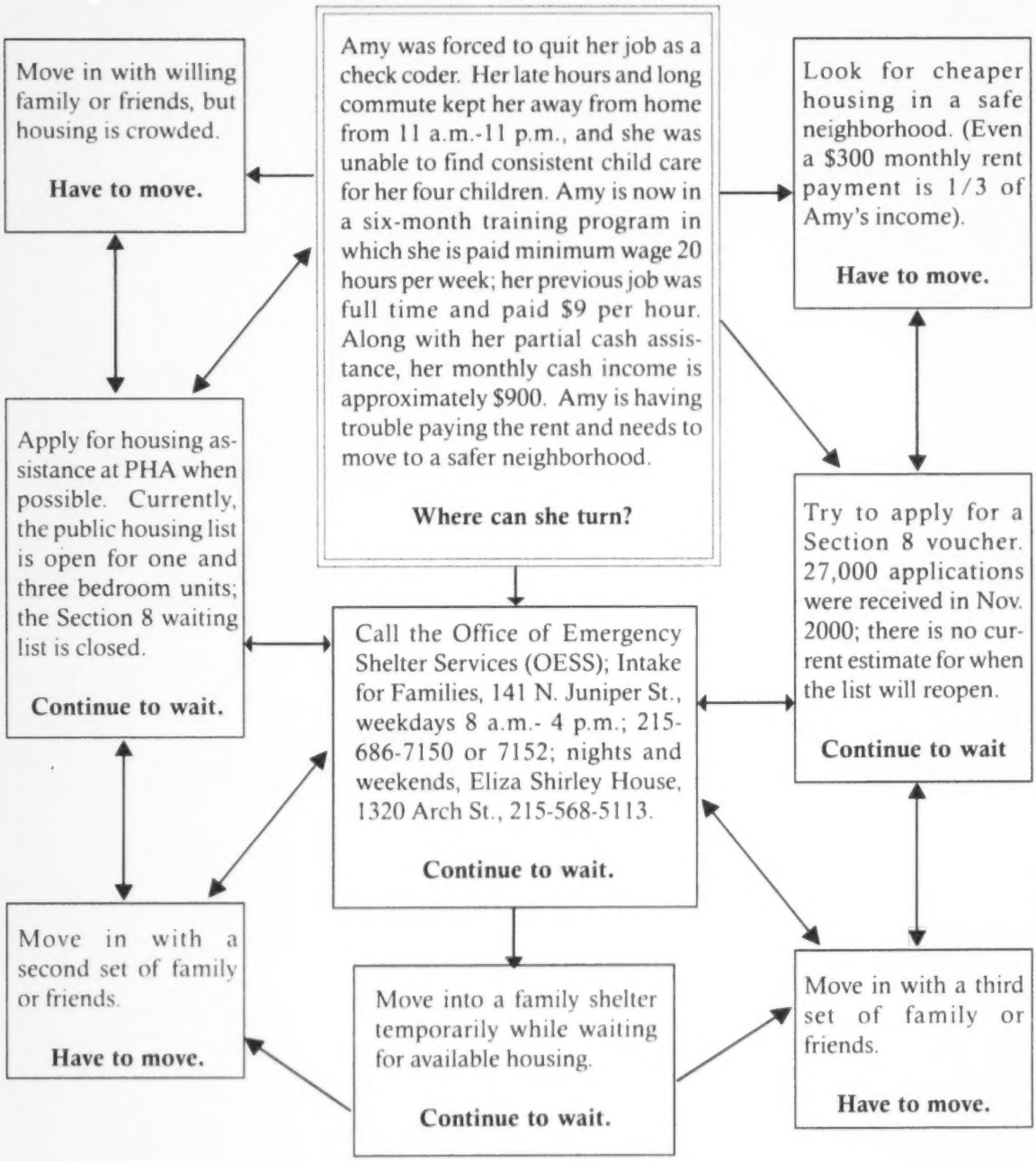
Susanna's Story

Susanna *lives with two of her four children in West Philadelphia. Her other two children are grown and no longer live at home. In 1992, when her children were 16, 15, 6 and 3, the house she had been renting burned down. She and her children were left homeless. Over the next three years, the family lived in four different homes – three times staying with relatives and once briefly renting from a friend of a relative. Susanna was referred to the Philadelphia Public Housing Authority (PHA) for an emergency voucher for Section 8 subsidized housing. Three years later, in 1995, Susanna received the voucher and moved into a home. Her rent was fully subsidized until 1998, when she began a new job and stopped receiving welfare. Due to her earnings, her portion of the rent payment is now $220 per month. Susanna wants to be able to save money to buy a house.*

Each of these families, as they try to make the transition from welfare to work, has faced a housing crisis. They are not alone. Many families working to become self-sufficient pay more than half their income on housing expenses, face unsafe housing conditions, live in overcrowded households in which they double-up with family or friends, or unsuccessfully try to secure new housing when the family income is based on a minimum wage job.

This report examines some of the problems Philadelphia-area families face in securing safe and affordable housing through the stories of families moving from welfare to work while struggling to keep a roof over their families' heads.

Searching and Waiting for Affordable Housing


Amy was forced to quit her job as a check coder. Her late hours and long commute kept her away from home from 11 a.m.-11 p.m., and she was unable to find consistent child care for her four children. Amy is now in a six-month training program in which she is paid minimum wage 20 hours per week; her previous job was full time and paid $9 per hour. Along with her partial cash assistance, her monthly cash income is approximately $900. Amy is having trouble paying the rent and needs to move to a safer neighborhood.
Where can she turn?
Move in with willing family or friends, but housing is crowded.
Have to move.
Look for cheaper housing in a safe neighborhood. (Even a $300 monthly rent payment is 1/3 of Amy's income).
Have to move.
Apply for housing assistance at PHA when possible. Currently, the public housing list is open for one and three bedroom units; the Section 8 waiting list is closed.
Continue to wait.
Try to apply for a Section 8 voucher. 27,000 applications were received in Nov. 2000; there is no current estimate for when the list will reopen.
Continue to wait
Call the Office of Emergency Shelter Services (OESS); Intake for Families, 141 N. Juniper St., weekdays 8 a.m.- 4 p.m.; 215-686-7150 or 7152; nights and weekends, Eliza Shirley House, 1320 Arch St., 215-568-5113.
Continue to wait.
Move in with a second set of family or friends.
Have to move.
Move into a family shelter temporarily while waiting for available housing.
Continue to wait.
Move in with a third set of family or friends.
Have to move.

Amy and her family are waiting in line . . .

The Scarcity of Affordable Housing

The Dream Deferred... Sarah's full time office cleaning job, like many low-wage positions, does not provide enough money to cover her family's living expenses each month. She pays the minimum due on her bills and tries to avoid having her utilities cut off. She relies on food cupboards to help feed her family. She is not alone.

Of the Watching Out families, 65 percent of whom live in unsubsidized housing, all but one paid more than 30 percent of their income on housing expenses. They represent hundreds of thousands of people in similar circumstances throughout the region and the country. In the Philadelphia metropolitan area, 73 percent of poor renter households spend more than 50 percent of their income on housing costs.[5] The American Housing Survey of 1995 found that 82 percent of renter households below the poverty line were paying more than 30 percent of their income on housing expenses, and approximately 60 percent of these poor renters were paying more than 50 percent of their income on housing.[6]

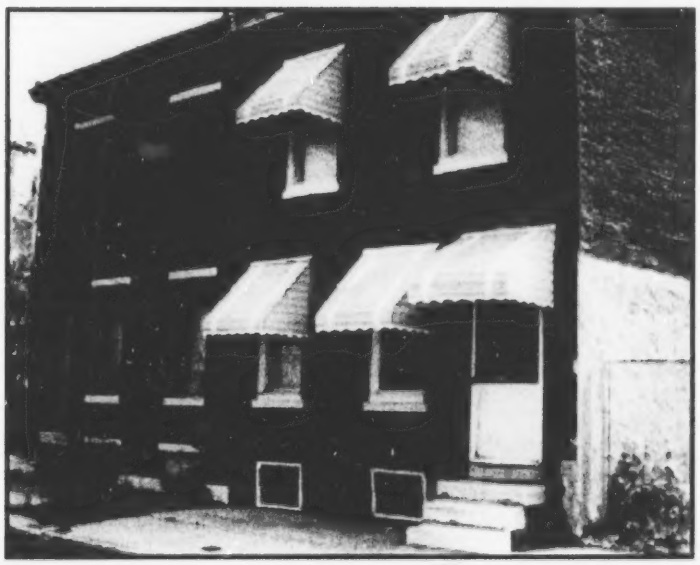
The National Low Income Housing Coalition (NLIHC) has calculated the "Housing Wage" for families in states and metropolitan areas across the country. This wage is set at the amount that a family would need to earn in order to pay no more than 30 percent of its income on an apartment at Fair Market Rent.[7] The NLIHC found that the national median Housing Wage for a two bedroom apartment at Fair Market Rent was $12.47 per hour, more than twice the federal minimum wage of $5.15 per hour. Thus, a family would need more than two full-time minimum wage workers in order to afford a two bedroom unit at Fair Market Rent.

In fact, NLIHC found that in no county, metropolitan area, or state in the country is the minimum wage adequate to afford the Fair Market Rent for a two-bedroom apartment. In Philadelphia, where housing costs are above the national average, the Housing Wage is $13.88 (270 % of the minimum wage) for a two bedroom apartment at the local Fair Market Rent of $722 per month.[8] In order to afford a two-bedroom apartment in Philadelphia at Fair Market Rent, a family must make $13.88 per hour full-time – almost three times the minimum wage. Of the Watching Out Families we interviewed who are currently employed, only one earns more than $13.88 per hour. The average Watching Out family wage is $8.85 per hour, 64 percent of the housing wage. And, many of the Watching Out families are not working fulltime.

The answer to the Philadelphia affordable housing shortage is not in the suburbs, where low income housing is scarce, though many available jobs have moved to the suburbs. Not only do working parents face longer commutes that take them further from their children, they also face increased transportation costs. Many of the Watching Out parents rely on public transportation to reach their jobs - busses, trolleys, subway, regional rail, and they often face multiple transfers each way. The high and potentially rising cost of transportation is a burden to these families, many of whom rely on SEPTA as their sole means of transportation.[9]

Maxine's Story

Maxine, *a mother of two children ages 8 and 6, lost her housing and was forced to live with her sister in Darby. During this time, she completed a TANF-required job search and secured employment at a packaging facility in Conshohocken. Her commute to arrive for her 4:00 p.m. shift required that she leave the house around 1:00 p.m. She would take the trolley from Darby into Center City, then the regional rail to Conshohocken. When Maxine finished work at midnight, her employer provided a van to 30th St. Station, because there was no public transportation available at that hour. After arriving at 30th St. Station, Maxine would take the trolley to Yeadon and walk the remaining distance home, arriving between 3:00 and 4:00 a.m. Each weekday morning, after three or four hours of sleep, she would wake to get her children ready for school and accompany them on yet another bus and trolley ride to their school in West Philadelphia. This routine lasted about three months, until Maxine experienced serious health problems that prevented her from working. Maxine has since moved to West Philadelphia, but continues to face severe housing difficulties* *(see more of her story on page 11).*



Subsidized Rental Housing: Demand Far Exceeds Supply

Background

The federal government has played an important role in providing housing subsidies to families and individuals for many years. Through the tax code, the government helps all homeowners by allowing mortgage interest deductions from their federal income tax. This benefit is not available to those who rent. Currently, the federal government operates three specialized low income rental assistance programs: public housing, Section 8 project-based assistance, and Section 8 vouchers. Typically, the programs require that families pay 30 percent of their income for rent, with the subsidy covering the difference between the family contribution and the actual housing costs, up to a locally-adjusted maximum amount.

- **Public Housing** is owned by the Philadelphia Housing Authority (PHA), a local public housing agency. The apartments are rented to eligible families and individuals.

- **Section 8 Project Based Assistance** provides subsidies for tenants to live in designated privately-owned units. The tenants pay their share of the rent to the owner, and the federal government pays the subsidy amount.

- **Section 8 Vouchers**, in contrast to the other two programs, are not tied to any one particular apartment or housing complex. Recipients can use the vouchers to rent any apartment or house within specified price limits that meet federal housing quality standards. Recipients then pay a set amount for rent while the federal government provides a subsidy to the landlord to cover the remainder of the rental price.[10]

For families making the transition from welfare to work, government housing subsidies provide a important source of stability. A recent study found that employment and earnings increased far more among residents of public and subsidized housing than among poor families *not* receiving housing assistance.[11]

Demand for subsidized housing in Philadelphia greatly outweighs the supply. The City's Office of Housing and Community Development (OHCD) 1998 report indicates that Philadelphia's stock of subsidized housing is decreasing rather than increasing. Due to deterioration, demolitions, and general disrepair, PHA has lost several thousand units that are not in rentable condition.

Long waiting lists for assisted housing are common. As Philadelphia families are waiting, so too are many low income families across the nation. The national average time on the waiting list is eleven months for public housing and twenty-eight months for Section 8 vouchers. In large cities, the wait is much longer. In Philadelphia, as of December 2000, the public housing waiting list had been closed for over nine years to all but those families who required an apartment with two or fewer bedrooms. The Section 8 waiting list had been closed for ten years, until it was opened for two weeks in November, 2000.

Eligibility for Federally Subsidized Housing (includes public housing, Section 8 project based assistance and Section 8 vouchers):

Any single person 18 years or older, any family, any individual with disabilities, any elderly person, may apply as long as the gross yearly income for your family size does not exceed "low income" levels. No more than 25 percent of the families admitted to Section 8 housing may have an income that exceeds 30 percent of the median income for the area.

At least 75 percent of families must have an income that does not exceed the following levels:

Number of Persons in Household:	1	2	3	4	5	6
30% of Median:	$12,150	$13,850	$15,600	$17,350	$18,750	$20,100

In addition to income requirements, "screening factors" are also used. [13] These are:

Type of Housing:	**Screening Factors:**
Section 8	Criminal or drug-related activity.
Public Housing	Criminal or drug related activity, rental history, housekeeping, credit history, verity of application, ability to understand and comply with lease, and successful completion of pre-occupancy training.

Mary's Story

Mary *is a mother of four children who is now working full time, having closed her welfare case in 2000. She rents a house in South Philadelphia. Over the years she has unsuccessfully tried to qualify for a Section 8 voucher. Mary did not hear about a recent list opening in November, and therefore missed her chance to apply for Section 8 housing. She pays more than 30 percent of her income toward rent and is struggling to pay the bills and support her children. Mary's family is one of the many that could end up in crisis situation should her rent increase even slightly.*

Getting in Line for Section 8

In November 2000, the Philadelphia Public Housing Authority opened the Section 8 waiting list to all applicants for the first time in 10 years; fewer than 15 percent of the new applicants could be served by the additional vouchers. The list was open for only two weeks. More than 27,000 applications were received for the 4,000 new vouchers.[14]

Although the number of applications was high, it does not reflect the entire group of low income families interested in receiving subsidized housing. Not all potential applicants who had applied for Section 8 housing in the past, nor those who had a current interest in applying, were notified about the two week opening of the list. In addition, multi-year waiting lists discourage families from applying, which results in further underestimation of the number of interested applicants.

The 27,000 families that applied for vouchers in November all seek the security that is offered by subsidized housing. Thanks to her Section 8 voucher, Susanna (see page 3) was able to settle down with her family following three years of instability and near-homelessness. Due to her low income she was not required to pay rent when she was receiving welfare benefits; Susanna now pays $220 per month, an amount she can afford based upon her salary. Her rent is approximately 18 percent of her

Janet's Story

Janet *is a 33 year-old mother of two, a four year-old son and a one year-old daughter. In 1998, she was evicted from her apartment and moved in with a friend who let Janet and her son stay for about eight months. When she moved out of her friend's place, Janet moved into a shelter and then into transitional housing. In February 1999, she filed her application for a Section 8 voucher. Her case manager soon found out that the application had not made it into PHA's system and sent a copy of the application. This was done approximately five times, and Janet's name was never added to the waiting list. Finally, in December 2000, Janet found out that her name had been added to the waiting list. To ameliorate the series of errors, she would be placed at the top of the list. In April 2001, over two years after she first applied, she received her voucher and began to prepare to move out on her own. Had it not been for the persistence of her caseworkers, Janet's name may never have been added to the waiting list.*

income.

Waiting in Line for Section 8:

Stretching the inadequate number of Section 8 vouchers to meet the needs of thousands requires setting priorities. PHA has established admissions preferences based on family situation and needs. Of the total number of vouchers issued each year:

- 50 percent are targeted to working or work-ready families,
- 25 percent go to transitionally housed families, and
- 25 percent are for "other preference" and "non-preference" families. "Preference" families include those that are:
  - involuntarily displaced, or
  - are paying more than half of their income in rent, or
  - are living in substandard housing, or
  - are homeless.

In addition, veterans and families whose head of household or whose spouse is elderly or disabled receive preference for vouchers.[15] Applications are classified into the above categories, and a lottery system is used to allocate units to applicants within each preference category.[16]

The combination of preference categories with a lottery system is confusing to its users. One transitional housing worker noted that her clients rarely knew where they stood on the waiting list, the time frame under which they could expect to receive a voucher, or even if their name had been accidentally dropped from the list. The process is long and can be frustrating for applicants. Applicants face far too many "bends in the road" on the way to obtaining a voucher. Should they misstep at any of these bends, they can expect to lose their spot on the waiting list.

When a family first receives a Section 8 voucher, there is cause for celebration. But having a voucher does not necessarily mean that a well-maintained, appropriate house or apartment will be available. After receiving a voucher, the difficult process of scouring the city for a home begins. The family must find a landlord who will accept a Section 8 voucher and a unit that will meet safety standards. The family must compete with moderate income, non-assisted households for a fixed or dwindling supply of quality units.[17]

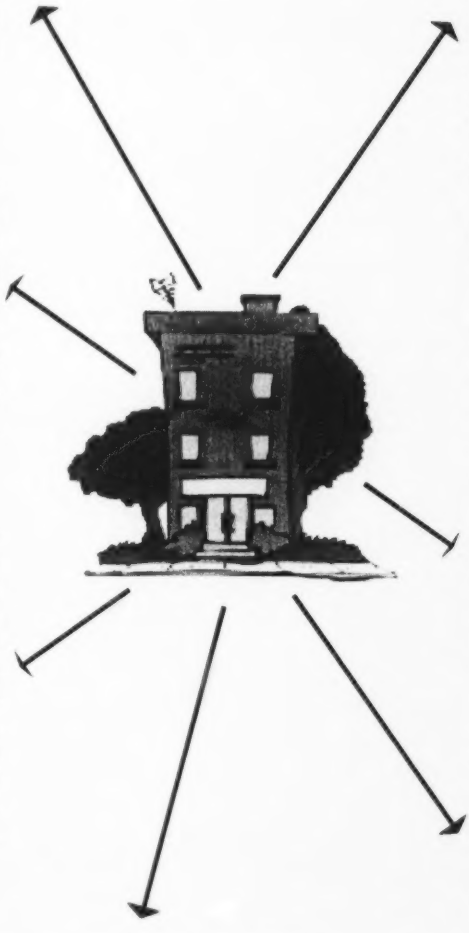
In November, 2000 the Philadelphia Housing Authority (PHA) received 27,000 applications for Section 8 housing, a number that does not include interested families who were unaware of the two-week opening of the waiting list. There were 4,000 vouchers available. Thus, approximately one of every sevem applicants will receive a Section 8 voucher.

Competing for a Critical Need

Maxine - 38 year-old mother of three children; staying at home to watch her three month-old; receives $497 per month TANF cash assistance, $373 food stamps; lives next to an abandoned, deteriorating house that is rat-infested.

Katia - 28 year-old mother of four children; former TANF recipient, currently working full time; income is approximately $1310 per month; her grant-funded job is about to end and she has no new job lined up; lives in a second story apartment; nine year-old son requires surgery for his leg that will require he be in a wheelchair for about six months.

Maria - 37 year old mother of four daughters, two of whom are under 18; Maria's 12 and 2 year-old daughters were placed in foster care by DHS as a result of her drug abuse; she completed a rehabilitation program and received treatment for her depression; Maria then moved to a homeless shelter; she is anxious to be reunited with her daughters, but needs appropriate housing to get her family back together.



Susanna - 42 year-old mother of four children; TANF recipient; the house she had been renting burned down; family has stayed in the homes of two different relatives and are wearing out their welcome with a third relative.

Kim & Ray - 31 and 38 year-old parents of nine month-old twins and a 22 month old; former TANF recipients; Ray now works full-time as a janitor, making approximately $1,450 per month after taxes; Kim stays home to watch the children; family trying to recover from debt; house had previously been foreclosed upon; they temporarily worked out a new payment plan, but are currently two months behind in their mortgage and fear foreclosure.

Wanda - 59 year-old great-grandmother; partially blind and illiterate; has cared for her six year-old great-grandson since his birth; lost their housing and have been sharing a bedroom at a relative's; received help from the Philadelphia Society for Services to Children to secure therapeutic support for her great-grandson and apply for housing; on the waiting list for Section 8; turned down for public housing due to past evictions and financial judgments against her; referred to a Family Center for further assistance while waiting for housing.

Amy - 33 year-old mother of five children; enrolled in a TANF training program; partial cash assistance plus paid training results in income of $900 per month, $390 food stamps; pays $250 in rent, but $400 in utilities during winter months; needs to move to a more energy efficient home in a safer neighborhood.

Public Housing, Another Slow Moving Line

The public housing waiting list is long. As of December 2000, the list had been closed for over nine years (112 months) to families requiring three bedroom or larger apartments. This year, PHA processed the last applications from the previous waiting list and reopened the list for certain units. Currently, the waiting list is "open" to applications from the elderly, disabled single persons, and families requiring three bedroom units *only*. Although the previous waiting list had been accepting applications for two bedroom and smaller apartments, the list for two bedroom units is now full. The waiting time varies upon the type of unit requested; for seniors, one bedroom and three bedroom applicants the wait is estimated as less than six months. PHA anticipates opening the list for four bedroom units this summer.[18]

Similar to the Section 8 procedures, PHA must allocate an inadequate number of housing units to meet the needs of thousands of families. PHA uses admissions preferences based on family situation and needs. Of the total PHA housing units made available each year:

- 50% of families must verify that they have been involuntarily displaced, are living in substandard housing or a homeless shelter, or are paying more than 50% of their income in rent.

- 50% of the families must have an adult working at least 20 hours per week, is "work ready," is older than 62 years, or is receiving disability benefits.[19]

The list has been particularly tight in recent years due to the demolition of housing projects across the city. Many residents have been moved from one project to another, slowing the rate of vacancies that can be filled from the waiting list. While PHA ensures that residents of housing that has been destroyed receive a preference for new housing, this practice does nothing to help those on the waiting list. Even as PHA creates new housing, if the facilities contain only enough units to replace older units that have been demolished, there is no net increase in the number of applicants PHA can serve. As a result, many families continue to linger on long waiting lists.

Katia's Story

Katia *is a 28 year-old mother of four children, ages 9, 7, 3, and 2, living in North Philadelphia. She was able to close out her TANF case when she secured a job as a community outreach worker in January 2001. Katia is paid $10.50 per hour and often works seven days a week in order to make as much money as she can for her family. She currently brings home approximately $1310 per month. Her job is grant-funded and scheduled to end in a few weeks. Katia has applied for other jobs but has not yet been successful in finding employment. She does not want to resume receiving TANF assistance. Katia's apartment is not subsidized; she pays $425 per month for rent. Katia's 9 year old son, Jose, has had two operations on his leg and requires a third surgery. After the operation for his leg, he will need to be in a wheelchair for approximately six months. She noted this fact when she applied for a Section 8 voucher in November, but has not heard any news concerning her application. Her son will have surgery as early as this summer and the family currently lives in a second story apartment with no wheelchair access; Katia has no idea what she will do.*

Special Needs Families: The Line to Nowhere

Families who have a member who is disabled experience additional problems when seeking appropriate housing. Only about one to two percent of Philadelphia's 18,000 public housing units are suitable for the disabled. The law requires that five percent be available at a minimum. Of the families on the waiting list for public housing, approximately 65,300 have a member with a disability.[20] This number represents approximately 26 percent of the families on the PHA waiting list.[21] Additionally, a little over 25 percent of the families on the Section 8 waiting list have a member with a disability.[22]

The number of housing units suitable for those with disabilities in the Section 8 market is extremely low. There is little incentive for landlords to make an apartment or home accessible to the disabled when the money they spend on such modifications does not lead to increased profits. In fact, when a family with a disabled member finally secures a Section 8 voucher, it is not unusual that the family is unable to find appropriate housing. The family often ends up forfeiting the voucher because the housing market does not independently offer a suitable home. Even if Katia receives a Section 8 voucher before her son's operation, she will likely have a difficult time securing a wheelchair accessible home.

The Housing Consortium for Disabled Individuals (HCDI) provides services to disabled individuals and families with a disabled member. Primarily, they assist with (1) securing adequate, affordable housing that meets the disabled individual's needs, and (2) making adaptive modifications to housing units where disabled individuals live. HCDI receives funding for the modification service, but demand routinely surpasses funding -- there is a waiting list of 700, with an expected wait of three to four years.

The Impact of Deteriorating Housing

Unsafe and overcrowded housing conditions place stress on a family's relationships, and can have a negative impact upon children's health. Older housing with lead paint, lead pipes, and units with water damage and excessive moisture, puts young children at risk for lead poisoning with consequent impairments to brain development. Other characteristics of substandard housing, such as dust mites, mold and poor heating and hot water systems, contribute to respiratory disease among children. Finally, poor housing conditions can result in frequent moves for a family, leading to disruption of other areas of the family's life -- such as the parent's employment and children's schooling.

Maxine and Karen's Stories

Maxine *(see page 4) is now the mother of three children, including a new baby daughter. She has moved out of her sister's home, and back to the row home where she grew up. Maxine expressed dismay over the block she lives on, and how it has changed over the years. The house next door to hers is abandoned, as are several others on the block. The former tenants/owners left trash behind in the home next door, which has caused her serious problems with rats. She called Licenses & Inspections (L&I) and was told she had to establish that she was really experiencing a severe problem, so she started a "rat tree" in her backyard. (Each time she caught and killed one, she put it in a plastic bag and hung it off the tree in her backyard.) When L&I finally came out, she showed them her rat tree. L&I disposed of the dead rats and put poison down, which slowed the rate at which the rats came through to her house. Maxine still sees one from time to time, and there remains a hole under the sink where the rats came in from next door. Although the city boarded up the house next door, it remains unstable. The roof of the porch is collapsing. Maxine fears that the structural instability will affect her home as well.*

Karen *and her three children had been sharing a bedroom with two beds at her mother's house. They are now renting a three bedroom home down the street from Karen's sister for $425, spending a little over 50 percent of Karen's monthly income of $840. Although they finally have sufficient room, the home is in serious need of repair. The walls in her kitchen and dining room have considerable water damage. She was informed by a gas company worker that the thermostat is not compatible with the type of boiler in the home and that the boiler is on its last legs; both need to be replaced. During the winter she rarely used the central heating. Instead, she ran the gas burners on her stove almost constantly -- even though she knew this posed a fire hazard. She felt she had no other choice. In addition, the windows and doors leak in a lot of cold air, and there is an abandoned home next door. These are all repairs Karen would like to have done, but neither she nor her sister can afford them.*

Deteriorating Homes

Low income homeowners and renters like Maxine and Karen face an additional burden due to the deteriorating condition of many Philadelphia houses. In its recent review of the housing market in Philadelphia, the Office of Housing and Community Development (OHCD) noted that "blight, abandonment and substandard conditions are pervasive throughout the housing stock occupied by lower-income households."[23] The reasons for the poor quality of much of the available housing are varied. The OHCD report pointed to the fact that more than 50 percent of the houses in Philadelphia were built before 1940. In addition, 28 percent were built from 1940-59, and 17 percent were built from 1960-79.[24]

Older houses require regular maintenance which many low income owners cannot afford. As roof repairs and other routine maintenance are delayed, properties fall into severe disrepair. In addition, the declining population in the city has led to abandonment of older, deteriorated homes and caused blight across the city. The available housing stock has dropped in recent years while the number of vacant units has risen.

Based upon year 2000 statistics, there were over 26,100 vacant houses and over 2,900 vacant commercial buildings in the city.[25] Twenty-seven percent of residential blocks had at least one vacant house.[26] With between 1,000 and 1,300 new dangerous buildings identified each year, the Department of Licenses and Inspections has not been able to reduce significantly the inventory of dangerous buildings despite increased demolition spending.[27] The serious dilapidation of housing stock not only makes fewer units available, but it also contributes to the demise of neighborhoods. In addition to the vacant buildings in Philadelphia, there are over 30,700 vacant lots.[28]

Three of the Watching Out families are living in row houses attached to abandoned houses that are beginning to show signs of structural problems. These three families are concerned that their houses could be damaged as the houses next door continue to deteriorate. Other Watching Out families live in homes with serious problems that they cannot afford to fix – ranging from broken heaters to water-damaged walls. Once again, the Watching Out families are not alone in this problem.

Deteriorating Health

Along with the physical problems facing older, poorly maintained homes, such as deteriorating roofs, water damage, and poor heating systems, are the risks of health effects from lead paint. Lead paint was banned for residential use in 1978, but 93 percent of Philadelphia houses were built before 1978.[29] Lead poisoning poses a threat in many homes in the city.

As the paint peels, pieces of paint and paint dust spread throughout homes and can easily harm children. The Alliance to End Childhood Lead Poisoning and other organizations estimate that there are two million children nationally and 76,000 in Philadelphia who are at risk of lead injury due to their homes. Most of these children are from low income families.

Between 25 and 30 percent children who are tested in Philadelphia have elevated blood lead levels (e.g. 10ug/dl or higher).[30] This level suggests children are being damaged in some way by the lead level in their blood. Almost five percent of these children had lead levels above 20ug/dl. When a child's lead level is between 10ug/dl and 20 ug/dl it is likely that it is having an impact on his/her brain development. A lead level over 20ug/dl suggest the child maybe much more vulnerable to neurological as well as physical damage. Because children who are measured at this level are more severely damaged, it is the level at which the City takes action. More than 3,000 children every year are found to have significant amounts of lead in their systems. Lead is a major cause of mental retardation, developmental delays, neurological and physical health problems.[31] It has been recently linked to crime, delinquency, brain abnormalities as well as mental impairment.[32] The Philadelphia Public Health Department identifies about 1,200 homes each year that are the source of lead poisoning in a children.

When a lead contaminated home is identified, the City's Public Health Department orders the property owner to decrease the lead hazard; about 20 percent of the homeowners comply. The remaining homes are put on a list for the Health Department to treat. The property owner is billed for the clean up. Additionally, the families who compete for Section 8 vouchers face problems with the clean-up of lead poisoning. PHA is responsible for assuring that a house is lead-safe before a family with a young child moves in. If a child is found to be poisoned in a PHA supported house, clean up is to be conducted.

In many cases, the family owns the home and cannot afford to decrease the lead hazard. In other cases the homes are not treated because the waiting list for treatment is long. In fiscal year 2000, the city had 800 homes on its waiting list for clean up and was only able to decrease the lead hazard in about 40 homes. Thus at least 800 children who had already been damaged by lead, some who had been hospitalized because of the seriousness of the poisoning, had to continue living in their homes or seek replacement housing. They would join many others in trying to find such housing – and in trying to qualify as a priority case in the fight for scarce resources.

Homeownership in Philadelphia

Homeownership is the cornerstone of the "American Dream." In Philadelphia, houses are less expensive and more available than in other comparable, large cities. Homeownership is therefore an option for many low and moderate income families. Affordable home prices, along with accessible state and local homebuyers assistance programs can assist low income homebuyers, however reaching the goal of homeownership remains an uphill battle.

Aiesha's Story

Aiesha *is now saving to buy her first home, after struggling for many years to leave welfare for work and support her three children. For the past year, she has been working two jobs: full-time receptionist at a social service agency, and security guard on the evenings and weekends. PHA is setting aside her Section 8 rent payments for homeownership. She is putting aside $100 from each paycheck into a savings account that will be matched by the federal government if spent on the purchase of a new home.*

Despite a number of homeownership opportunities available in Philadelphia, homeownership remains an elusive dream to many low income Philadelphia families. Only a few of the Watching Out families own their own home. Low income families are challenged by the prospect of home ownership in two significant ways. First, it is difficult for them to qualify for a mortgage. The minimum annual income requirements are higher than the amount they are able to make at minimum wage. In addition, they must have a good credit history. For these reasons, homeownership is not available to the average Watching Out family that relies on minimum wage earnings.

Kim and Ray's Story

Kim and Ray *are 31 and 38 year-old parents of nine month-old twins and a 22 month-old son. During Kim's pregnancy with the twins, Ray's workplace closed. He did not look for another job right away, because Kim found out she had a high-risk pregnancy. Ray stayed home to care for her and their son. They did not have medical insurance to pay for nursing care. After the twins were born in July 2000, it took Ray about six months to find a decent job (one that would provide health benefits). During the time Ray was out of work the family received TANF benefits, but still fell behind on many bills. In an effort to recover from debt, Ray filed for bankruptcy in December of 2000. Shortly after, Ray secured a full-time position as a janitor and closed the family's TANF case. Ray brings home approximately $1,450 per month after taxes, although only $1,250 after making his bankruptcy plan payment. Kim stays home to watch the children because she believes working would not be worth it. The majority of any income she could generate would be used to pay daycare costs. The family is barely able to cover their monthly bills, which include costs of $160 for diapers and $80 for baby food alone. Despite the filing for bankruptcy, they have not recovered from debt. They are two months behind in their mortgage payments, and fear they may lose their home.*

The Dream Slipping Away

For some low income families homeownership could offer lower mortgage payments than rental payments. Homeownership, however, is not a magic solution without other supports. Even if low income families are able to qualify for a mortgage, unforeseen circumstances may prevent them from making consistent mortgage payments and jeopardize their ability to hold on to their dream. Any loss of income can lead to foreclosure or lengthy delays in getting necessary repairs.

Predatory lending, which uses misleading marketing and hidden fees to exploit consumers, has been identified as a problem in the area. These high-cost lenders often target homeowners in struggling, vulnerable neighborhoods. High-cost mortgages and home-improvement loans have contributed to a tripling of the city's foreclosure rates since 1995.[33] Hardest hit tend to be the elderly, minority and poor homeowners who often get pressured into these loans. One housing advocate noted that many low income families are strongly urged to buy homes in neighborhoods where the housing stock is in poor condition, and they then take out loans for needed repairs. Philadelphia City Council recognized this problem and unanimously passed a bill designed to curb predatory lending. Although the bill became law in late April, it is now being challenged by lenders.[34]

Other Housing Costs: Utilities

Amy's Story

Amy *could afford her $250 per month rent, were it not for the $400 per month utility charges she pays during the winter (see page 1). Although she avoided utility shut-offs this year, other families that Watching Out met were forced to move in with relatives or friends while waiting to settle their accounts with utility companies.*

In Philadelphia, where the housing stock is old and many homes have not been maintained in a way that provides for energy conservation and strong insulation, heating costs can skyrocket during winter months. Low income families often spend 15-20 percent of their annual income on utility costs. In addition, much of PHA's housing stock, both conventional and scattered site, contains inefficient and/or outdated energy systems.[35] During this past winter of record cold temperatures and increasing heating costs, homeowners heating with oil paid 40 percent more than last year; natural gas users paid 70 percent more.[36]

Philadelphia law requires utility companies to maintain service to households with children or elderly through the winter despite lack of payment. This law delays, but does not forgive the collection of the amount owed. Families such as Brenda's face high bills come spring, when there is no protection to keep the utility service intact. This mandate is helpful to low income families, however they need more help to avert the possibility of losing their electric and gas service in spring.

Brenda's Story

Brenda *loaned money to her daughter's family in order to feed their five young children, rather than pay her electric bill in the summer of 2000. As a consequence, Brenda's electricity was shut off for about a month. In November, Brenda expressed relief that her electricity could not be shut off again until April. Despite this reprieve, she remained behind on her payments and was afraid that one misstep would cause her to lose her electricity again. She expected that by April she would be back on track with payments and would not have to face another shut-off. Were it not for the moratorium on shut-offs during the winter, this grandmother may have had to face a month or two without electricity during the coldest months.*

One program available to help families is the Pennsylvania Low Income Home Energy Assistance Program (LIHEAP), which helps low income people pay their heating bills through energy assistance grants. During the winter of 2000-2001, Pennsylvania families were eligible for LIHEAP if their income was at or below 135 percent of the federal poverty income guidelines ($23,016) for a family of four). In late January, however, Governor Ridge temporarily expanded eligibility through April to 150 percent of the poverty level ($25,575 for a family of four).[37]

LIHEAP also provides "Crisis Energy Assistance" to families. Crisis grants are available to individuals if they are in an emergency situation and if they are are in jeopardy of losing their heat. Emergency situations include: having broken heating equipment or leaking lines which must be fixed or replaced, being without fuel, or facing utility service termination. Effective January 29, 2001, the maximum crisis grant amounts were raised from $400 to $700. Households that had already received a crisis payment could still be eligible for additional benefits if again in a crisis situation.

Although eligibility limits and maximum crisis payments have recently been raised, according to the Pennsylvania state budget, federal funding for LIHEAP was reduced from $1.6 million in Fiscal Year 1999-2000 to $1.3 million in FY 2000-01. The proposed budget for FY 2001-02 includes only $918,000 for LIHEAP. In addition to this reduction in funding, there remains significant confusion among the eligible population about energy assistance programs.[38]

Amanda's Story

Amanda *is a mother of three young children who lives on SSI payments to her boyfriend who has severe kidney problems. Amanda has a Section 8 voucher and pays $200 in monthly rent. She is barely able to meet her family's expenses on the income she brings in – but cannot work full time due to her boyfriend's need for constant care. In November 2000, Amanda had trouble getting together the money to pay for heating oil. She applied for LIHEAP, but ran out of oil while she waited for the assistance to arrive. She and her family moved in with her mother until she was able to get the oil delivered. Had Amanda learned of LIHEAP sooner, she could have avoided the family disruption caused by temporarily moving to her mother's home.*

Families told Watching Out that they relied on LIHEAP or Crisis Energy Assistance to get through this winter, but most are behind in their utility bills or juggle these bills in order to pay for other needs. Many of these families are also on payment plans through their electric and gas companies to ease the burden of high utility bills during the winter months. Had Amanda not been fortunate enough to have a family member nearby who could take them in, she and her family would have been homeless. Thus, even with LIHEAP assistance and other budgeting plans available through utility companies, many low income families have a difficult time paying their energy bills each month.

Homeless Families

The combination of unaffordable and poor quality housing available to low income Philadelphia families often causes them to move frequently. If the family is unable to afford safe housing on their own, and they have exhausted the possibility of staying with extended family and friends, they become homeless. Domestic violence may also force women and their children to leave their homes. Homeless families are among those forced to join in the battle over Philadelphia's scarce housing resources.

There are approximately 2,000 officially homeless families, including 6,000 children.[39] This number reflects the number of families known to the Philadelphia shelter system.[40] The numbers available from shelters are an underestimate, because only families who meet the shelter's eligibility requirements are counted. A true reflection of the actual number of homeless families would need to include families ineligible for a shelter who are forced to live with whomever and wherever they can.[41]

Of Philadelphia's homeless population, one of the two largest groups is young single women, usually in their 20's and 30's with young children.[42] A recent study determined that 66 percent of Philadelphia's homeless are families.[43] This is one of the highest percentages of homeless families of all surveyed cities around the country.

Affordable, usually subsidized housing, prevents homelessness more effectively than anything else. This is true for all groups of poor people, including those with persistent and severe mental illness and/or substance abuse.[44] This is yet another reason why safe, affordable housing is a critical need for low income Philadelphia families.

Specific Issues for Families Involved with the Department of Human Services

Maria's Story

Maria *is the mother of four daughters, two of whom are over 18 and living on their own, two of whom live with Maria - a 15 year-old and a five year-old. Maria had been around persons with addictions her whole life. Her own addiction started slowly, but when her three month-old son died from kidney failure almost five years ago, she became extremely depressed and used crack to ease her pain. As result of her drug abuse, Maria's 15 and five year-old daughters were taken from her and placed in foster care by the Department of Human Services (DHS) in late 1998 (they were then 12 and 2). After losing custody of her children, Maria attempted suicide. Luckily someone found her in time. She was taken to the hospital, treated for both her injuries and depression, and continued to receive out-patient care for several weeks. Maria then entered and completed a rehabilitation program. Following rehab she moved to the Salvation Army's Eliza Shirley shelter, and continued to work on her recovery. After six months at the Eliza Shirley shelter, Maria was anxious to have her children returned to her. Luckily, Maria's DHS worker was aware of the Shelter Care program, through which Maria received transitional housing so that she and her daughters could be reunited. She and her daughters have been back together for almost one year, and they have made good progress in healing their relationships. Maria has been drug-free for seventeen months, continues to take medication and receive counseling for her depression, and is working toward her GED.*

The problems with unsafe and unaffordable housing can pose special difficulties for families involved with the Department of Human Services (DHS). When a parent is seeking reunification with her child(ren) who have been placed in foster care, adequate housing is a must. Yet, the rules for subsidized housing and child welfare may complicate the process.

As our Watching Out families have discovered, finding and securing an affordable house can be difficult. It can be nearly impossible for those who have had their children removed from their care. A parent without his/her children may apply for housing as a single person in need. Under this status the parent will not receive any priority on the waiting list. He or she may wait for public housing or a Section 8 voucher for years, during which time the children would remain in out of home placement. In order to achieve priority status as a family, the children must be in the parent's care. However, in order to get the children back home, the parent must secure safe, adequate housing. This catch 22 has served as a formidable barrier to the reunification of families.

This barrier was recognized by advocacy groups and DHS alike, who have worked with area housing agencies to create special programs for this issue. DHS now has two main housing programs to assist family reunification, the Family Unification Program (FUP) and the Shelter Care Program (II and III).[45] The Family Unification Program is administered by DHS and PHA; there are approximately 100 Section 8 vouchers allotted to families who meet both DHS and PHA criteria; only 40 such vouchers have been issued.[46]

In order to apply for the program, the family must receive a referral from a DHS worker. Once the family has submitted its application and been approved by DHS, their application is sent for separate approval by PHA. Approval by PHA can prove problematic, as families who have poor credit histories may be unable to qualify for PHA housing. This problem may be avoided if the family were able to receive financial counseling, and perhaps file for bankruptcy or otherwise improve their credit history, prior to reaching the PHA stage of the application process. Community Legal Services (CLS) often works with DHS to assist families overcome such problems before they are turned down by PHA.

The Shelter Plus Care II program is jointly operated by DHS and Philadelphia's Office of Emergency Shelter Services (OESS). DHS and OESS certify families for one of the 60 slots of housing available through this program. Shelter Plus Care III is similar to Shelter Plus Care II, however, it includes 32 slots for families who are receiving treatment services at the Peoples Emergency Center (PEC), a New Life Program, or Interim House West. Again, the family must first receive a referral from a DHS worker in order to apply for either program, and must then submit an application to the DHS Housing Committee.

Eligibility Criteria - <u>Family Unification Program</u> - *(must meet **one** of following criteria:)*

1. a battered woman and her child(ren) who have been unable to move into permanent housing and who cannot return home;

2. a family where the lack of suitable housing places the child(ren) at risk;

3. a family with children in placement who have substantially completed all Family Service Plan (FSP) goals and for whom homelessness or inadequate housing is the only remaining barrier to reunification.

***PLUS:** the family must also complete the PHA admissions process.*

Eligibility Criteria - <u>Shelter Plus Care II and III</u> - *(must meet **all four** of the following criteria)*

1. the family must actually be homeless or in a shelter (stricter than the FUP definition of homeless, but Shelter Plus Care will allow up to 10% of slots go to families who do not meet this strict definition);

2. the Family Service Plan (FSP) goal must be reunification;

3. the family must have saved some money (the application recommends $400);

*4. a parent must have **one or more** of the following special needs: a) drug or alcohol history (clean for 6 months); b) serious mental illness (including depression); c) be HIV+.*

Although these programs address an important need, many families have difficulty accessing the programs. Currently, the allotted units are underutilized, in part due to complications in the application process and because agency workers and parents are not well informed about availability of the programs. Additionally, in the Family Unification Program, a family may be eligible under the DHS requirements but then fail to qualify at the PHA stage of approval and must begin the process anew. For those, like Maria, who are able to access these programs, the housing provides the stability they need to begin healing their families and getting their lives back together.

Current Reforms and Initiatives

The federal government is the primary source of funding for housing programs. In recent years the country has not made the kind of investment necessary to provide for the housing needs of millions of Americans. Although the U.S. Department of Housing and Urban Development (HUD) received a 16 percent increase in funds in FY 2001, our nation still faces a severe housing shortage. HUD estimates that 5.4 million low income families have "worst case housing needs." These families either live in extremely substandard housing or pay more than 50 percent of their family income for rent. In addition, every year more than 90,000 affordable units are lost due to the demolition and sale of public housing and project-based Section 8 housing.

In 2000, Senator John Kerry (D-MA) proposed the National Affordable Housing Trust Fund Act of 2000 (S. 2997), an innovative and entrepreneurial solution to the nation's housing woes. This bill was intended to establish a National Housing Trust Fund in the Treasury of the United States to provide for the development of decent, safe, and affordable housing for low income families. Although his proposal received wide support from housing groups and several members of Congress, America's low income families remain waiting. Today, housing advocates are working to have a new version of this bill introduced early in the 107th Congress.

Pennsylvania's proposed budget for 2002 includes $60 million in new housing assistance over the next two years. It is anticipated this money will go to developing new low income housing across the state, creating transitional housing and promoting homeownership assistance for families in public housing. Additional amendments supported by the Pennsylvania Low Income Housing Coalition were introduced in April, 2001. These amendments would increase funding for non-profit organizations developing affordable and market rate housing in Philadelphia and Pittsburgh, support rental housing development, combat foreclosures, and create state matching funds for counties operating County Housing Trust Funds.

Philadelphia has a large number of Community Development Corporations ("CDCs"), which are neighborhood-based corporations created to respond to a community's development needs and desires. CDCs may rehabilitate vacant or deteriorated housing for re-sale or rental to low or moderate income families. Some CDCs offer job banks and training programs, provide housing counseling, operate home repair programs, and undertake commercial development. In addition, the Pennsylvania Association of Community Development Corporations (PACDC) supports CDC activity by providing technical assistance and advocating for CDCs in the public arena. According to PACDC, Philadelphia CDCs currently have 2,300 housing units in the development pipeline, but they are still working to secure funding for all of these projects.[47]

In addition to CDCs, there are several city-wide private non-profit corporations that perform housing rehabilitation and development activities. These organizations provide a variety of services, including rental property management, transitional and permanent housing for the homeless, home repair loans, community improvement efforts, and "sweat equity" homeownership development projects.

Mayor Street has unveiled an ambitious Neighborhood Transformation Initiative (NTI) that includes the creation of new housing units, demolition of vacant and dangerous houses, rehabilitation of properties, and clearing of vacant lots. This effort will help Watching Out families like Karen and Maxine's who live immediately next door to abandoned housing, as well as the many other families who have abandoned buildings and trash strewn lots on their blocks.

Much more needs to be done to assist low income families achieve their dreams of safe, affordable homes.

Conclusion & Recommendations

The majority of Watching Out families are spending more than 30 percent of their income on housing. Much of the available, affordable housing is inadequate and dangerous. Section 8 and public housing are the only options for many families struggling to find affordable housing. Securing permanent subsidized housing can often be delayed for months or years due to long waiting lists. Even those who receive a Section 8 voucher cannot always find suitable housing.

Housing is at the core of family stability. We call for public policies that will help homeless and marginally housed families to secure safe and affordable housing, and for policies that will assist low income families reach the long-term goal of self sufficiency, including home ownership.

So that thousands of families like Amy's can secure safe, affordable public housing, we recommend that federal, state and city governments:

Recommendations

√ Increase the availability of low income, subsidized housing.

- Commit to increased production of low income housing so that no family pays more than 30 percent of its income for housing.
- Ensure that public housing units are replaced at least at the same rate as they are demolished – or that other housing programs are available for the same income households as those displaced.
- Sharply increase the number of Section 8 vouchers available. Many families are in need; working families, homeless families and families with lead-exposed children should not be forced to compete against each other for certificates.
- Expand the resources needed to renovate existing privately owned, federally subsidized units. Families who receive Section 8 vouchers must have access to units that meet safety standards.
- Make certain that there are adequate housing units created for low income families if we are to move to mixed income developments; they should not be crowded out.

So that thousands of families like Janet's can easily apply and remain informed about subsidized rental housing, we recommend that local housing policy makers:

Recommendations

√ Make the subsidized housing application process less confusing.

- Simplify the steps in the public housing and Section 8 application processes and the paperwork needed so that fewer applicants lose their place in line due to missing paperwork or confusion about what is required.

- Establish clear definitions of priority categories and follow clear rules as to which applicants receive preferences in the distribution of both public housing and Section 8 vouchers.

- Provide adequate information to applicants. Families should be able to call PHA to see if they are on the waiting list, how they are progressing on the waiting list, and ensure that they remain on the list until they receive housing or have made alternate arrangements.

√ Improve public awareness.

- Broadly publicize whether or not Section 8 and public housing waiting lists are open to new applicants, or if currently closed, when the anticipated opening of such lists will occur.

- PHA should release quarterly reports to the public, detailing the number of applicants on the waiting lists for both Section 8 housing and public housing.

So that thousands of families like Susanna's can someday achieve their dream of homeownership, we recommend that city government and local housing agencies:

Recommendations

√ **Support familes for whom homeownership is an attainable goal.**

- Provide the two or more years of intensive case management that agencies report is necessary to help formerly homeless families who would like to be homeowners achieve their goal.

- Ensure that the Neighborhood Transformation Initiative includes funding for creating and renovating low income housing.

- Assist Community Development Corporations in securing necessary funding for the completion of projects that are already in development.

√ **Help low income homeowners keep their homes.**

- Support efforts to curb so-called "predatory lending" practices in subprime mortgage markets.

- Expand repair assistance programs available to low income homeowners.

So that thousands of parents like Sarah and Brenda can remain in safe, affordable housing and also provide for the basic needs of their families, we recommend that government at all levels:

Recommendations

√ Improve utility assistance.

- Increase both Federal and State funding for the Low Income Home Energy Assistance Program (LIHEAP)[48]
- Provide more public outreach to lessen confusion about LIHEAP to ensure that the program is utilized by more than the current 42-43% of the eligible population.
- Examine and update utility assistance programs to reflect rising energy costs.

√ Improve supports for special populations.

- Increase the Philadelphia Department of Public Health's budget for lead abatement in homes.
- Implement a plan for families that need special housing accommodations.[49]

So that thousands of families like Maria's can reunify and keep their families together, we recommend that Department of Human Services and the Philadelphia Housing Authority:

Recommendations
√ **Publicize and clarify Department of Human Services and Public Housing Authority housing programs.**
• Ensure that DHS and foster care agency workers are aware of available housing programs and understand the eligibility requirements for each program.
• Encourage DHS workers to assist families in negotiating the PHA application process.
• Ensure that appointed persons from PHA work with DHS specifically to assist families who need housing in order to be reunified.

So that thousands of families like the ones highlighted in this report and the more than 80,000 very poor children in the Philadelphia region are protected and supported in their community:

√ JOIN US AS WE WATCH OUT FOR CHILDREN IN CHANGING TIMES.

If You Would Like to Help Philadelphia Citizens for Children and Youth Watch Out for Children, Please Call Us at 215-563-5848.

Housing Resources

Several Philadelphia agencies offers a range of housing assistance programs. Below is a brief description of each, as well as phone numbers you can call for more information.

Home Repair

City homeowners can receive free major system housing repair services through PHDC's "Basic Systems Repair Program" (BSRP). BSRP is for repair of electrical hazards, plumbing (sewer line), heating replacement*, roof replacement (only if major interior damage is evident).

Call the BSRP Hotline at 215-448-2160 to find out if you are eligible.

*For heater repairs call the Emergency Heater Hotline at 215-568-7190.

Home Ownership

The "Homestart" program of the Office of Housing and Community Development (OHCD) offers first time homeownership opportunities for individuals and families whose annual incomes are $8,000 or more. Homestart is administered by the Philadelphia Housing Development Corporation (PHDC). Applications are taken on a citywide basis for the targeted neighborhoods, and applicants are selected based on their employment, credit and rental histories, ability to make the down payment and suitability of household size for the available property. Call or visit PHDC for more information: 215-448-2176 (English); 215-448-3135 (Spanish); 215-448-2184 (TDD); 1234 Market St., 17th Floor.

Home Improvement Loans

If you own and occupy your home in Philadelphia, you may qualify for a low interest Philadelphia Home Improvement Loan (PHIL) through the Redevelopment Authority (RDA). Eligibility is based on household income and size. Call the RDA Hotline at 215-854-6515 for more information.

Tax Abatement

A new property tax abatement program for city residents allows a 10-year exemption from paying taxes on the increased value of a renovated house. Market value of the home cannot exceed $193,125; the cost of the improvements cannot total more than $41,200. You must first obtain a building permit from the Department of Licenses and Inspections. Then contact the Board of Revision of Taxes (BRT) for a free property tax abatement application at 215-686-9270, 34 S. 11th St., 8th floor.

Weatherization Assistance

The Weatherization Assistance Program, coordinated by PHDC, provides free weatherization and energy efficiency improvements to owner-occupied and rental units in Philadelphia. A broad range of services is available. Applications are taken by appointment only. For an appointment, call PHDC's Home Improvement Programs Office: 215-448-2137, 2161 or 3162; 215-448-2184 (TDD) from Monday through Friday, 8:30 a.m. - 4:30 p.m. Be sure to ask what documents you must bring at the time of your appointment.

Lead Testing and Cleanup

Free lead poisoning tests are available for children age six months to six years at any of the Philadelphia's Health Care Centers. Call your local health care center to schedule a test. For more information about lead call the Philadelphia Department of Public Health's "Get the Lead Out!" Hotline at 215-685-2797 or the Childhood Lead Poisoning Prevention Program at 215-685-2788.

Utility Assistance

The Pennsylvania Low Income Energy Assistance Program (LIHEAP) helps low income individuals/families pay their heating bills through energy assistance grants. Additional "crisis grants" are available if there is an emergency situation and an individual/family is in jeopardy of losing their heat. To apply, call your local County Assistance Office (CAO) to set up an appointment and confirm what documents you will need to apply. The closing date of April 30, 2001 has passed for this year. Call your CAO in the fall to see when applications will be accepted for LIHEAP assistance for 2001-2002.

Settlement Assistance

The Office of Housing and Community Development (OHCD) offers a Settlement Assistance Grant program to help low and moderate income, first time homebuyers purchase homes in Philadelphia.

It provides housing counseling through an OHCD-funded agency, a free pre-purchase home inspection and a grant of up to $800 toward settlement costs. Any house purchased using this program must meet new lead paint control procedures. Call OHCD at 215-686-9749, tell them your zip code, and they will refer you to a housing counseling agency in your area.

The Office of Emergency Shelter and Services

The Office of Emergency Shelter and Services or (OESS) provides comprehensive case management, protective, preventive and referral services to adults and families in need of temporary shelter and affordable housing. OESS offers a network of shelters, boarding homes, and foster care homes that serves families, couples and single individuals.

Services available to OESS clients include: Intake Services, Mental Health Services, Outreach Services, Emergency Shelter Services, Case Management Services, Adult Protective Services, State Emergency Food Distribution Program, OESS Housing Services, Emergency Response Services, Eviction Prevention Services, Transitional Housing Services, Shelter Plus Care, Permanent Housing Services and Housing Inspection Services.

Intake and Social Services for Women, Families and Couples
Hours: Weekdays 8:00 a.m. to 4:00 p.m.
Office of Services to the Homeless and Adults
141 N. Juniper Street
215-686-7150/52

Intake and Social Services for Women, Families and Couples
Hours: Weekends and Nights
Salvation Army
Eliza Shirley House
1320 Arch Street
215-568-5113

Housing Resources (continued)

Philadelphia Organizations:

Bethesda Project
http://www.bethesdaproject.org/

Blueprint to End Homelessness
http://www.homelessphila.org/

Dignity Housing
http://www.dignityhousing.com

Peoples Emergency Center
http://www.pec-cares.org/

Philadelphia Committee to End Homelessness
http://www.libertynet.org/pch

Kensington Welfare Rights Union
http://www.kwru.org/

Neighborhoods Online: Philadelphia
http://phillyneighborhoods.org/

Pennsylvania Low Income Housing Coalition
http://www.libertynet.org/pahc/

Philadelphia Association of Community Development Corporations
http://www.pacdc.org

Philadelphia Health Management Corporation
http://www.phmc.org

Philadelphia Unemployment Project
http://www.libertynet.org/~pupuic/

Project Home
http://www.projecthome.org

National Organizations:

Center on Budget and Policy Priorities
http://www.cbpp.org/

Corporation for Supportive Housing
http://www.csh.org

National Alliance to End Homelessness
http://www.naeh.org

National Coalition for the Homeless
http://nch.ari.net/

National Health Care for the Homeless Council
http://www.nhchc.org/

National Law Center on Homelessness and Poverty
http://www.nlchp.org/

National Low Income Housing Coalition
http://www.nlihc.org

National Resource Center on Homelessness and Mental Illness
http://www.prainc.com/nrc/

Government Organizations:

U.S. Department of Housing and Urban Development
http://www.hud.gov

Mayor's Transition Team Reports
http://www.phila.gov/transition/

Office of Emergency Services
http://www.phila.gov/departments/emergserv/

Glossary of Terms

CDCs - Community Development Corporations

CLS - Community Legal Services

DHS - Department of Human Services

Fair Market Rent - is set by the U.S. Department of Housing and Urban Development. It is the rent paid for the 40th percentile of apartments of a certain size in a particular geographical area.

FUP - Family Unification Program

HCDI - Housing Consortium for Disabled Individuals

HUD - Department of Housing and Urban Development

L & I - Philadelphia Department of Licenses and Inspections

LIHEAP - Pennsylvania Low Income Home Energy Assistance Program

NLIHC - National Low Income Housing Coalition

NTI - Neighborhood Transformation Initiative

OESS - Office of Emergency Shelter Services

OHCD - Office of Housing and Community Development

PACDC - Pennsylvania Association of Community Development Corporations

PHA - Philadelphia Housing Authority

Public Housing - is owned by a local public housing agency - the Philadelphia Housing Authority ("PHA"); the apartments are rented to eligible families and individuals.

Section 8 Project Based Assistance - provides subsidies for tenants to live in designated privately-owned units. The tenants pay their share of the rent to the owner, and the federal government pays the subsidy amount.

Section 8 Vouchers - are not tied to any one particular apartment or housing complex. Recipients can use the vouchers to rent any apartment or house within specified price limits that meet federal housing quality standards. Recipients then pay a set amount for rent while the federal government provides a subsidy to the landlord to cover the remainder of the rental price.

TANF - Temporary Assistance for Needy Families

Endnotes

[1] Philadelphia City Ordinance 1029-AA defines "low income" as 50 percent of the area median income, which is $28,900 for a family of four. The United States Department of Housing and Urban Development (HUD) defines "low income" as 80 percent of the area median income ($46,250 for a family of four) and "very low income" as 50 percent of the area median income. See, Appendix 4, Office of Housing and Community Development, Year 26 Consolidated Plan.

[2] Office of Housing and Community Development, Year 26 Consolidated Plan, p. 15.

[3] Office of Housing and Community Development, Year 26 Consolidated Plan, p. 7.

[4] In this report, families' incomes are listed at monthly amounts. Although a yearly income could be easily calculated by multiplying by twelve, we chose not to do so. Yearly incomes were not listed due to the often erratic number of hours worked, the sometimes limited duration of employment and the overall unpredictability of the families' yearly incomes.

[5] Daskal, Jennifer, "In Search of Shelter: The Growing Shortage of Affordable Rental Housing," Center for Budget and Policy Priorities: 1998, Appendix I; percentage is based on 1995 Census Data.

[6] Ibid. at pp. 2-3.

[7] The Fair Market Rent is set by the U.S. Department of Housing and Urban Development. It is the rent paid for the 40th percentile of apartments of a certain size in a particular geographical area.

[8] National Low Income Housing Coalition, *Out of Reach*, September 2000.

[9] Public transportation costs in Philadelphia are the second highest in the nation. As we go to press, SEPTA is proposing a rate hike.

[10] Federally, the Section 8 program serves a large variety of families. Of the 1.4 million families currently being served, 64 percent are families with children, 15 percent are elderly families or individuals, and 13 percent are persons with disabilities. The families receiving Section 8 assistance are 40 percent White, 41 percent Black, 16 percent Hispanic, 2 percent Asian, and 1 percent Native American. Forty-six percent of the families with children have their primary income from wages, 36 percent from public assistance, and the remainder from SSI, pensions and Social Security. Data are from HUD's Multifamily Tenant Characteristics System (MTCS), as of October, 1999.

[11] "Research Evidence Suggests That Housing Subsidies Can Help Long-term Welfare Recipients Find and Retain Jobs," Center on Budget and Policy Priorities, June 27, 2000.

[12] United States Department of Housing and Urban Development, March 1999.

[13] PHA Annual Plan for Fiscal Year 2001, p. 17 and 20.

[14] Ibid. at p. 10. Note, however, in Attachment P, p. 38 the PHA Annual Plan for Fiscal Year 2001 states that between November 1- 17, 2000, 35,000 applications for Section 8 housing were received.

[15] Ibid. at p. 21.

[16] Section 8 priority information was provided directly by the PHA Office of Community Resource Development, May 16, 2001.

[17] PHA Annual Plan for Fiscal Year 2001, Attachment P, p. 38.

[18] Public Housing wait list information provided directly by the PHA Office of Community Resource Development, May 16 and 22, 2001.

[19] PHA Annual Plan for Fiscal Year 2001, p. 17. "Work ready" is defined by Administrative and Oversight Policy.

[20] Ibid. at p. 7.

[21] Ibid. at p. 8.

[22] Ibid. at p. 9.

[23] Office of Housing and Community Development, Sections 1 and 2 of the Year 24 Consolidated Plan (Fiscal Year 1999), City of Philadelphia.

[24] Philadelphia Housing Study, Carla Campbell, MD.
[25] City of Philadelphia Department of Licenses and Inspections, 2000 Vacant Property Survey, Managing Director's Office.
[26] L&I 1999 Survey; Board of Revision of Taxes, January 2000 and January 2001 parcel database.
[27] For example, there were 1,539 demolitions in FY 1998. See, "A Blight Elimination Plan for Philadelphia's Neighborhoods," prepared by the Blight Elimination Subcommittee of the Neighborhood Revitalization Committee, February 8, 2000, p. 1.
[28] City of Philadelphia Department of Licenses and Inspections, 2000 Vacant Property Survey, Managing Director's Office.
[29] Office of Housing and Community Development, Sections 1 and 2 of the Year 24 Consolidated Plan (Fiscal Year 1999), City of Philadelphia, p. 38.
[30] "ug/dl" designates parts per deciliter.
[31] Lamphear and Needleman, 2000 Pediatric Academic Societies and American Academy of Pediatrics, joint meeting May 15, 2001.
[32] Ibid.
[33] "The Loan Rangers," Opinion, Philadelphia Inquirer, April 3, 2001.
[34] "Bill Opposed by Lenders is Approved," Philadelphia Inquirer, April 6, 2001. Also see, "Street to Let Lending Bill Become Law," Philadelphia Inquirer, April 20, 2001.
[35] Most PHA buildings were built before the widespread use of insulation, storm doors and windows, or an awareness of the need for conservation. PHA Annual Plan for Fiscal Year 2001, Attachment P, p. 50.
[36] Worden, Amy, "Ridge Raises Income Limit for Heating Assistance," Philadelphia Inquirer, January 25, 2001.
[37] Ibid.
[38] According to Harry Gellar, director of the Pennsylvania Utility Law Project, LIHEAP reaches only 42 or 43 percent of the eligible population. Should all of those who are eligible apply, there would be insufficient resources to serve them.
[39] The Philadelphia Coalition for Kids: Report Card 2001, Preliminary Report on the Well Being of Children and Youth of Philadelphia, March 2001.
[40] Other estimates of homelessness differ. For instance, OHCD listed levels of homeless families at 3,538 (including 13,131 individuals) in its 1996 HUD planning report, demonstrating the difficulty of accurately estimating the number of homeless families in Philadelphia.
[41] An example is a family with a teenage son. Many shelters do not allow boys over the age of 12; such a family must either split up to be accepted to the shelter, or find alternate living arrangements.
[42] The other group is young, single adult males ages 20 to 40. Project Home web page, www.projecthome.net/homelessness/face.html
[43] The U.S. Conference of Mayors 1997 Report on Homelessness and Housing.
[44] Marybeth Shinn and Jim Baumohl, "Rethinking the Prevention of Homelessness." This article was part of the 1998 Symposium on Homelessness Research sponsored by the U.S. Department of Health and Human Services.
[45] Community Legal Services web page, www.clsphila.org/dhs_housing_information.htm
[46] FUP Section 8 voucher information was provided directly by the PHA Office of Community Resource Development, May 18, 2001.
[47] PACDC News, Volume 4, Number 1: Jan. – Feb. – Mar. 2001.
[48] Note, New Jersey has upped the LIHEAP eligibility level to 175% of the poverty level, whereas Pennsylvania's eligibility level remains at 150%.
[49] For example, from the experience of many community agencies, it is apparent that families who have an individual with a disability have an extremely difficult time finding adequate housing. Thus, the number of low income units appropriate for those with disabilities should be increased.

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